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TELEPHONE: (202) 835-8292

FACSIMILE: (202) 835-8136

August 2, 1994

William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

Re: CS Docket No. 94-48 -- NOTICE OF EX PARTE PRESENTATION

Dear Mr. Caton:

Earlier today, I met on behalf of The Wireless Cable Association International, Inc. ("WCAI") with James W. Olson and Paul Gallant of the Cable Services Bureau and Jonathan D. Levy of the Office of Plans and Policies regarding the comments submitted by WCAI in response to the *Notice of Inquiry* in CS Docket No. 94-48. During the course of that discussion, certain documents prepared by wireless cable system operators relating to the status of competition in their local marketplaces were provided to the staff. Copies of those documents are enclosed for inclusion in the record of this proceeding.

Should you have any questions regarding this filing, please contact the undersigned.

Respectfully submitted,



Paul J. Sinderbrand

Counsel to The Wireless Cable
Association International, Inc.

Enclosures

cc: James W. Olson
Paul Gallant
Jonathan D. Levy

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JUN-08-94 WED 09:59

WIRELESS CABLE ASSO INTL

FAX NO. 202 452 0041

P. 08/19

WIRELESS CABLE QUESTIONNAIRE

PART B

OPERATING SYSTEM ISSUES

Name of Wireless Cable Operator: AMERICAN WIRELESS CABLE (KY/UT)

Location of Operating System: ST. GEORGE, UT

1. When did you launch this system? 92
2. Had the FCC been responsible for delays in launching this system? If so, please provide details.

NO DELAYS OTHER THAN GETTING
MORE FREQUENCIES IFFS

EXISTING MANDS SYSTEM SHOULD HAVE
SOME PRECEDENCE TO OBTAIN MORE
CHANNELS IF THEY ARE UP & RUNNING
ESPECIALLY IN A COMPETITIVE MARKET.

BUT THE FCC
HAS BEEN TO WORK WITH
ASES

3. How many microwave channels are employed on your system? 20
4. How many microwave channels do you anticipate adding? 12
5. If you utilize VHF/UHF antennas at the subscriber's home to deliver local broadcast signals, how many additional channels are provided to subscribers? 9
6. Do you anticipate using digital compression? If so, what factors will dictate when you install compression technology? Do you anticipate using a hybrid analog/digital system either as a transitional vehicle or as a final system design? If so, please provide details.

YES

→ AS QUICKLY AS POSSIBLE TO
GET AWAY FROM USING VHF/UHF
ANT. AT HOMES & TO COMPLETE BETTER
WITH 2 OTHER CABLE SYSTEMS & DBS

YES TO LAST EVENTUALLY WE WOULD BE
TOTALY DIGITAL BUT EXISTING CUSTOMERS
WOULD STAY ANALOG & SLOWLY BE
SWITCHED OVER FOR LESS
INTERUPTION OF SERVICE & COST.

7. Does your system compete directly with one or more cable systems? If so, please list the name of the cable system(s), identify its franchise area, its penetration percentage based on homes passed, and provide its current channel capacity?

1. FALCON CABLE	60% PENETRATION	CH CAPACITY 50 CH
2. CLEARVISION	17% PENETRATION	50 CH

FALCON now HAS
44 CH
CLEARVISION 46 CH

8. Please identify the percentage of your wireless cable system service area that overlap with the area served by the cable operator(s) in your area and the number of homes within the overlap zone?

85% 10,000

9. In your opinion, how long will it take for this system to serve as a competitive alternative to cable? What is the basis of your projection?

IT IS NOW BUT AS SOON AS
WE CAN GO DIGITAL WE WILL BE
MORE OF AN EQUAL

10. How many homes are within the coverage pattern of your system and what percentage of those homes do you anticipate you will be unable to serve due to terrain blockage, buildings or foliage without using repeaters?

15,000 IN AREA
6,000 BLOCKED

11. How many subscribers did you have after one year of operation? Three years? Five years? If you have not been in operation that long, what are your projections as to the percentage of homes passed that will subscribe to your wireless cable system one year after launch, three years after launch and five years after launch? What is the basis for your estimated subscriber penetration?

1ST YR =
 2ND YR =
 PROJ 3RD YR =
 PROJ 5 YR =

POPULATION
 GROWTH
 & GOING-
 MORE TO
 DIGITAL
 SERVICES
 OFFER

12. What are the rates you charge your subscribers for your basic tier of service? How many channels are in your basic package? What are the rates that the cable operator(s) in your area charge for basic service? How many channels does the cable operator offer in his basic package? How many of those channels comprise locally-mandated programming (bulletin boards, PEG channels, etc)?

SKYVIEW BASIC 14.95 24 CHANNELS

FALCON 31 CH FOR 17.71 1 BULLETIN BOARD
 8 LOCAL STATIONS
 CBC NBC ABC
 ETC.
 ADDITIONAL
 TIER 6 MORE CH FOR 5.75

CLEARVISION 22 CH FOR 15.50 NO BULLETIN BOARD
 8 LOCAL CHS
 TIER 18 CH FOR 7.50
 INCLUDES DISNEY

SEE
 ATTACHED
 LINE UPS

13. What are the rates you charge your subscribers for your other tiers of service? How many channels are in your other tiers? What are the rates that the cable operator(s) in your area charge for their other tiers of service? How many of the channels on non-basic tiers comprise locally-mandated programming (bulletin boards, PEG channels, etc)?

WE DONT HAVE ENOUGH CH'S
TO JUSTIFY A TIER

SEE
ATTACHED
LINE UP

14. Is any portion of your market served by another non-cable multichannel video programming distributors? If yes, what portion of the market is served by the other distributor?

100%
DBS
DIRECT TV ?
PRIME STAR

15. How vigorous is the competition for programming among multichannel video programming distributors in your market area?

PRIME STAR
IS GETTING
A SMALL
FOOTHOLD

FALCON CABLE TV - St. George, UT

CHANNEL LINE-UP

- | | | |
|---------------------------------------|-------------------------------|------------------------------|
| * 2 KUTV 2-NBC Salt Lake City, UT | * 17 ARTS & ENTERTAINMENT | 31 SHOWTIME |
| * 3 KVBC 3-NBC Las Vegas, NV | * 18 NICKELODEON | 32 HBO |
| * 5 KSL-TV 5-CBS Salt Lake City, UT | * 19 THE FAMILY CHANNEL | * 33 MTV |
| * 6 QVC | * 20 E! - ENTERTAINMENT TV | 34 CINEMAX |
| * 7 KUED 7-PBS Salt Lake City, UT | * 21 VH-1 | 35 THE MOVIE CHANNEL |
| * 8 KTVX 4-ABC Salt Lake City, UT | * 22 CNBC | * 36 UNIVISION |
| * 9 USA NETWORK | - 23 CNN | * 37 C-SPAN |
| * 10 LIFETIME | - 24 WGN-TV 9-IND Chicago, IL | * 38 THE TRAVEL CHANNEL |
| * 11 KBYU-TV 11-PBS Provo, UT | - 25 WTBS 17-IND Atlanta, GA | * 39 COMEDY CENTRAL |
| * 12 ESPN 2 | - 26 THE NASHVILLE NETWORK | * 40 THE DISCOVERY CHANNEL |
| * 13 KSTU 13-FOX Salt Lake City, UT | - 27 CNN HEADLINE NEWS | * 41 AMERICAN MOVIE CLASSICS |
| * 14 KJZZ 14-IND Salt Lake City, UT | - 28 TNT | * 42 THE LEARNING CHANNEL |
| * 15 LOCAL - Character Generated Info | * 29 PRIME SPORTS NETWORK | * 43 COUNTRY MUSIC TV |
| * 16 ESPN | 30 THE DISNEY CHANNEL | 44 REQUEST - PAY PER VIEW |

NEW RATES

BASIC CABLE (*)	17.71
ADDITIONAL OUTLET (Basic Cable)	0.00
INSTALLATIONS/SERVICE (per hour)	45.00
REMOTE CONTROL	0.16
NON-ADDRESSABLE CONVERTER	1.82
ADDRESSABLE CONVERTER	4.02
FM SERVICE	1.95
VIDEO CONTROL CENTER	0.47

A LA CARTE SERVICES

HBO	\$10.50	- WGN-TV	2.00
THE DISNEY CHANNEL	10.50	- WTBS	2.00
SHOWTIME	10.50	- TNT	2.00
CINEMAX	10.50	- THE NASHVILLE NETWORK	2.00
THE MOVIE CHANNEL	10.50	- CNN	2.00
		- CNN HEADLINE NEWS	2.00

The above rates may not include applicable taxes, fees and other assessments.

(-)Customers with all of these services will see a package rate of \$5.75 on their monthly statement.

STG650-STG001 St. George, UT system



ST GEORGE UTAH

EFFECTIVE DECEMBER 1993

MONTHLY CHARGES

BASIC CABLE SERVICE	\$15.50
EXPANDED BASIC CABLE SERVICE (INCLUDES DISNEY)	\$23.00
STANDARD CONVERTER RENTAL	\$ 1.00
VOLUME CONTROL BOX	\$ 2.50
REMOTE CONTROL	\$ 1.00
ADDRESSABLE CONVERTER	\$ 4.00

PREMIUM SERVICE PRICES

FIRST PAY SERVICE	\$10.30
TWO PAY SERVICES	\$18.50
THREE PAY SERVICES	\$26.70
FOUR PAY SERVICES	\$34.90

INSTALLATION & REPAIR

Unwired Home Installation	\$45.00
Restan/Reconnect Home Installation	\$25.00
Additional Outlet At The Time Of Initial Installation	\$ 7.50
Additional Connection Requiring Separate Installation	\$20.00
Upgrade or Downgrade Optional Services (Addressable)	\$ 5.00
Connect VCR At Time Of Initial Install	\$ 7.50
Connecting VCR Requiring Separate Install	\$15.50
Install A/B Switch At Time Of Initial Install	\$ 7.50
Install A/B Switch Requiring Separate Install	\$15.50
Administrative Fee (late fee)	\$ 4.00
Returned Checks	\$15.00
Hourly Service Charge (Labor) For Other Installations/Services	\$30.00

EQUIPMENT PURCHASE PRICE

Non-Addressable Converter	\$40.00
Volume Control Converter	\$55.00
Remotes	\$15.00

90 DAY WARRANTY

PRICES DO NOT INCLUDE FRANCHISE FEES OR SALES TAX WHEN APPLICABLE.

THESE PRICES ARE BELOW THE HOURLY SERVICE CHARGE (HSC) AS PRESCRIBED BY THE FEDERAL COMMUNICATION COMMISSION FORMULAS MULTIPLIED BY THE AVERAGE TIME FOR EACH INSTALLATION ACTIVITY BASED UPON HISTORICAL DATA.

10% SENIOR CITIZEN DISCOUNT AVAILABLE—CALL OFFICE FOR DETAILS

CLEAR VISION OFFICE HOURS MON-FRI 9-5**674-2212****CHANNEL GUIDE****801-674-2212**164 WEST 700 SOUTH
ST. GEORGE, UTAH 84770

BASIC SERVICES

2 KUTV
3 KVBC
4 KTVX
5 KSL
6 ESPN
7 KUED
8 CNN
9 WGN
10 WTBS
11 KBYU
12 FAMILY CH.

13 KSTU
14 DISCOVERY
15 USA NETWORK
16 TNM
17 HNN
18 THE CARTOON NET
19 KJZZ IND.
20 OVC
21 MOR MUSIC
22 MIND EXT UNIV.
23 THE LEARNING CH.

EXPANDED SERVICES

24 DISNEY CH.
27 TNT
30 EL ENT.
31 C-SPAN
32 TRAVEL CH.
33 SCI-FI
34 CNBC
35 AMC
36 VH1
37 WEATHER CH.
(INCLUDES BASIC)

38 MTV
39 PRIME SPORTS
40 ESPN H
41 COMEDY CENT.
42 CMT
43 LIFETIME
44 A & E
45 NICKELODEON

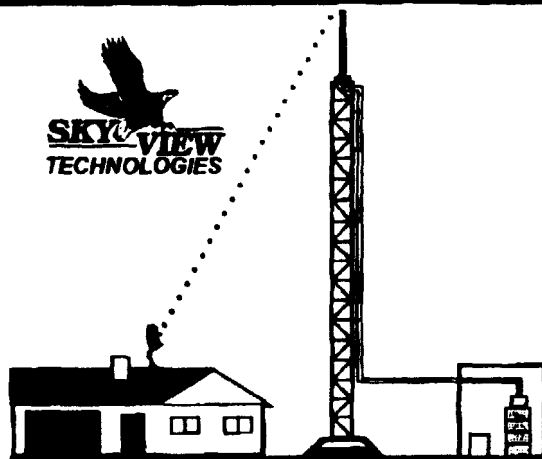
PLAY IT ALL DAY

Basic Service For As Little As \$14.95 A Month

- | | | | | |
|----|----------------|----------------------------------|-------------|-----------------|
| 2 | KUTV | NBC | Salt Lake | XXXX |
| 3 | KVBC | NBC | Las Vegas | XXXX |
| 4 | KTVX | ABC | Salt Lake | XXXX |
| 5 | KSL | CBS | Salt Lake | XXXX |
| 6 | DISCOVERY | Documentary | | |
| 7 | KUED | PBS | Educational | XXXX |
| 8 | CNN NEWS | 24 Hour News | | |
| 9 | WGN | Chicago Superstation | | |
| 10 | WTBS | Atlanta Superstation | | |
| 11 | KBYU | PBS | Educational | XXXX |
| 12 | ESPN | 24 Hr. Sports | | |
| 13 | FOX 13 | FOX | Variety | XXXX |
| 14 | KJZZ | S.L. Independant | | XXXX |
| 15 | AMC | Classic Movies | | |
| 16 | KULC | Educational | | XXXX |
| 17 | KTLA | Los Angeles | | |
| 18 | NICKELODEON | Family | | |
| 19 | FAMILY CHANNEL | Family | | |
| 20 | USA NETWORK | Variety | | |
| 21 | TCM | Turner Classic Movies | | |
| 22 | SCI-FI | Science Fiction | | |
| 23 | A & E | Arts & Entertainment | | |
| 24 | PRIME SPORTS | Jazz Games | | |
| 25 | + CMT | Country Music Videos | | |
| 26 | | (Future Music Video Channel) | | |
| 35 | + WCSD | (Washington Co. School District) | | |
| 36 | + DCLC | (Dixie College Learning Channel) | | |

+ Time Share Channels

~~XXXX~~ Normal Unscrambled UHF/VHF
Broadcast Channels Available
without Converter



Premium Services

- | | | |
|----|-------------------|--|
| 27 | Disney | The Disney Channel®
America's Family Network™ |
| 29 | The Movie Channel | THE MOVIE CHANNEL |
| 30 | Showtime | SHOWTIME |
-
- | | | |
|-----|---------|-------------|
| 1st | Premium | \$9.50 each |
| 2nd | Premium | \$9.00 each |
| 3rd | Premium | \$8.50 each |
| 4th | Premium | \$8.00 each |

Mini-Premium

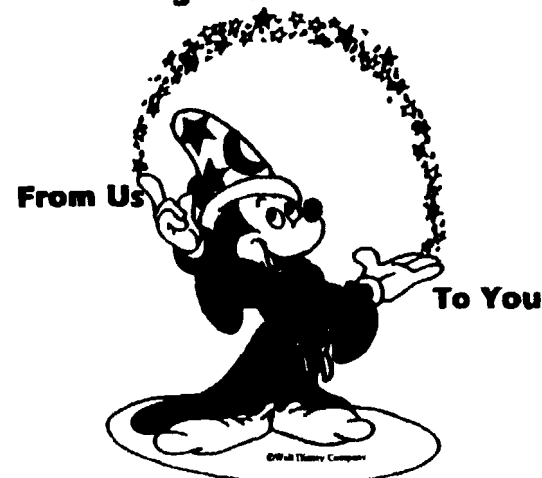
- | | | |
|----|--------|---------|
| 28 | ENCORE | ENCORE® |
|----|--------|---------|
- Hit movies from the 60s, 70s, and 80s.
\$3.00 A La Carte
\$2.00 With Any Premium Channel

- + Other Charges:
- | | |
|---------------------|---------|
| Installation..... | \$30.00 |
| Extra Outlet | |
| Prewired House..... | N/C |
| Non-Prewired..... | 5.00 |
| On Callback..... | 25.00 |
| Wall Fish..... | 35.00 |
| Loss of Remote..... | 15.00 |
| 2ND CONV PER MO. | 4.95 |

We Also Do...

- + **DirecTv™**
18" Satellite Subscription Service
Call for Prices
- + **Professional Antenna Installations**
\$30.00 Plus Parts
Call for Quote
- + **Antenna Sales and Retail**

Signal Direct



WIRELESS CABLE QUESTIONNAIRE**PART B****OPERATING SYSTEM ISSUES**

Name of Wireless Cable Operator: Eastern Cable Networks of Michigan
(serving the Detroit market)
Location of Operating System:

1. When did you launch this system? Acquired in March, 1994
2. Had the FCC been responsible for delays in launching this system? If so, please provide details.

We have not experienced any significant delays to date.
We have aggregated additional channels in the market and
are dependent upon speedy approval of co-location and
major modifications in order to

3. How many microwave channels are employed on your system? 12
4. How many microwave channels do you anticipate adding? 20
5. If you utilize VHF/UHF antennas at the subscriber's home to deliver local broadcast signals, how many additional channels are provided to subscribers? 8
6. Do you anticipate using digital compression? If so, what factors will dictate when you install compression technology? Do you anticipate using a hybrid analog/digital system either as a transitional vehicle or as a final system design? If so, please provide details.

(A) We do anticipate using digital compression.
Factors to be considered will be as follows:

1. Desire for additional services from our customers and potential customers.
2. Cost of compression technology in relation to our projected return from the sale of new services.
3. Reliability of the equipment for commercial deployment.
4. Cost of digital converters.
5. Possible non-standard applications/uses for digital technology in a wireless environment.

(B) We do anticipate using a hybrid digital/analog system. We are committed to delivering the highest quality product at the best possible price for our customers. Therefore, we need to find the balance between consumer demand for new services and the demand for the "old" services that are likely to be the most popular.

We anticipate using digital compression in two or three groups of channels which should allow us to add 40 to 60 channels. Therefore we would provide more expensive digital converters where customers are interested in purchasing new services.

We expect to change our opinions about this new technology based on other possible applications that might develop in concert with customer demand.

7. Does your system compete directly with one or more cable systems? If so, please list the name of the cable system(s), identify its franchise area, its penetration percentage based on homes passed, and provide its current channel capacity?

Columbia Cablevision, Ann Arbor, 60-channels, 65% penetration
TCI of West Oakland, Royal Oak, Woodhaven,
52-channels, 60%

Barden Cablevision, Detroit, 52-channels, 50%

Cablevision Industries, Dearborn, 52-channels, 60%

Channel capacity and penetration are approximately the same as the above for the following:

Comcast Cablevision, Sterling Heights, Pontiac, Waterford,

Booth Communications of Birmingham (Oakland Co.)

Continental Cablevision, Dearborn, Madison Heights, Roseville, Southfield.

Maclean Hunter Cablevision, East Detroit, Garden City, Taylor. Metrovision, Livonia, Redford.

8. Please identify the percentage of your wireless cable system service area that overlaps with the area served by the cable operator(s) in your area and the number of homes within the overlap zone?

Our wireless operation in Detroit has approximately 1.5 million homes within line-of-sight. Except for a small number of apartment buildings and unwired, single-family housing developments, virtually 100% is passed by cable.

9. In your opinion, how long will it take for this system to serve as a competitive alternative to cable? What is the basis of your projection?

We believe we will be a viable competitor to cable TV when we have achieved co-location of 33 microwave channels transmitting at 100 watts each. We believe we need maximum capacity and maximum power, as soon as possible, to compete effectively.

We expect to be in this position by April, 1995 pending all necessary FCC approvals (Note that our biggest risk to meeting this timetable is FCC approvals.)

10. How many homes are within the coverage pattern of your system and what percentage of those homes do you anticipate you will be unable to serve due to terrain blockage, buildings or foliage without using repeaters?

There are approximately 1.8 million homes in the counties of Wayne (including Detroit,) Macomb, Monroe and Oakland. Because of the attractive terrain in this market, our engineering studies indicate that we will lose only about 300,000 homes due to obstructions. Therefore, we have 1.5 million homes within line-of-sight.

11. How many subscribers did you have after one year of operation? Three years? Five years? If you have not been in operation that long, what are your projections as to the percentage of homes passed that will subscribe to your wireless cable system one year after launch, three years after launch and five years after launch? What is the basis for your estimated subscriber penetration?

As we have only ~~one~~ customers today, we will provide projections only.

End of year one of full operation -

End of year three -

End of year five -

Our projections are based on rolling out service in a way that we can ensure excellent quality and customer service consistently. Our ultimate customer projections reflect approximately 12% penetration of homes within line-of-sight and assume multiple competitors in the market.

12. What are the rates you charge your subscribers for your basic tier of service? How many channels are in your basic package? What are the rates that the cable operator(s) in your area charge for basic service? How many channels does the cable operator offer in his basic package? How many of those channels comprise locally-mandated programming (bulletin boards, PEG channels, etc)?

Our basic service will include 15 to 18 basic cable programming channels, The Disney Channel and educational programming from our ITFS partners and local broadcast stations. The monthly charge will be approximately \$20. Cable operators in our area typically offer 30 to 45 channels of basic including local access and limited interest niche programming and charge from \$22 to \$25 per month.

13. What are the rates you charge your subscribers for your other tiers of service? How many channels are in your other tiers? What are the rates that the cable operator(s) in your area charge for their other tiers of service? How many of the channels on non-basic tiers comprise locally-mandated programming (bulletin boards, PEG channels, etc)?

In addition to our basic service, we will charge only for premium services and pay per view.

Premium services will be as follows:

Showtime package (Showtime, The Movie Channel, FLIX)
\$7-9 (pending price sensitivity research)

HBO - \$7-\$9

PASS (local sports service) \$7-\$9

Pay per View - Events to be priced below cable operators by 15 to 20%. Movies to be sold in the range of \$2.95 to \$4.95.

Cable operators in the market are charging \$8 to \$11 for all premium services.

Locally-mandated channels on cable systems in the market all tend to be carried on the lowest level of basic service.

14. Is any portion of your market served by another non-cable multichannel video programming distributors? If yes, what portion of the market is served by the other distributor?

The only non-cable video distributors in the market are SMATV operators. We estimate that less than 1% of homes within line-of-sight are served by SMATV.

15. How vigorous is the competition for programming among multichannel video programming distributors in your market area?

Detroit will become a competitive market, although the competition is highly fragmented because of the number of cable MSO's operating in the market. There is consolidation occurring today as Comcast acquires Maclean Hunter and will, therefore, operate the Detroit system as well as some suburban operations. In addition, Detroit has been listed by Ameritech as one of its major cities for deployment of video dialtone.

WIRELESS CABLE QUESTIONNAIRE

PART B

OPERATING SYSTEM ISSUES

Name of Wireless Cable Operator:

SIOUX VALLEY PIONEER TV

Location of Operating System:

Colman, Sioux Falls (Roura) SD

1. When did you launch this system? 1989 1994
2. Had the FCC been responsible for delays in launching this system? If so, please provide details.

Y, almost impossible and expensive
struggle
5 yrs.

3. How many microwave channels are employed on your system? 11
4. How many microwave channels do you anticipate adding? 4
5. If you utilize VHF/UHF antennas at the subscriber's home to deliver local broadcast signals, how many additional channels are provided to subscribers? 4
6. Do you anticipate using digital compression? If so, what factors will dictate when you install compression technology? Do you anticipate using a hybrid analog/digital system either as a transitional vehicle or as a final system design? If so, please provide details.

Y Cost, reliability

Hybrid as cost would be prohibitive otherwise

7. Does your system compete directly with one or more cable systems? If so, please list the name of the cable system(s), identify its franchise area, its penetration percentage based on homes passed, and provide its current channel capacity?

N

8. Please identify the percentage of your wireless cable system service area that overlaps with the area served by the cable operator(s) in your area and the number of homes within the overlap zone?

9. In your opinion, how long will it take for this system to serve as a competitive alternative to cable? What is the basis of your projection?

2-3 yrs.

Digital Compression
and access to programming

10. How many homes are within the coverage pattern of your system and what percentage of those homes do you anticipate you will be unable to serve due to terrain blockage, buildings or foliage without using repeaters?

30% unserved
w/o repeaters

11. How many subscribers did you have after one year of operation? Three years? Five years? If you have not been in operation that long, what are your projections as to the percentage of homes passed that will subscribe to your wireless cable system one year after launch, three years after launch and five years after launch? What is the basis for your estimated subscriber penetration? *Shadow maps*

Sixor Falls (Rouma)

12 mos

36 mo

12. What are the rates you charge your subscribers for your basic tier of service? How many channels are in your basic package? What are the rates that the cable operator(s) in your area charge for basic service? How many channels does the cable operator offer in his basic package? How many of those channels comprise locally-mandated programming (bulletin boards, PEG channels, etc)? *Very few*

\$ 18.45 basic 10 ch

Cable is less ^{cost} w/ more ch.

13. What are the rates you charge your subscribers for your other tiers of service? How many channels are in your other tiers? What are the rates that the cable operator(s) in your area charge for their other tiers of service? How many of the channels on non-basic tiers comprise locally-mandated programming (bulletin boards, PEG channels, etc)? *Few*

\$ 9.95 HBO

similar

14. Is any portion of your market served by another non-cable multichannel video programming distributors? If yes, what portion of the market is served by the other distributor?

N

DBS

15. How vigorous is the competition for programming among multichannel video programming distributors in your market area?

Little except DBS

WIRELESS CABLE QUESTIONNAIRE

PART B

OPERATING SYSTEM ISSUES

Name of Wireless Cable Operator:

Preferred Entertainment

Location of Operating System:

Chicago

1. When did you launch this system? 8/93
2. Had the FCC been responsible for delays in launching this system? If so, please provide details.

*yes. Long delays in approvals
for new transmit site.*

3. How many microwave channels are employed on your system? 22
4. How many microwave channels do you anticipate adding? 10
5. If you utilize VHF/UHF antennas at the subscriber's home to deliver local broadcast signals, how many additional channels are provided to subscribers? 11
6. Do you anticipate using digital compression? If so, what factors will dictate when you install compression technology? Do you anticipate using a hybrid analog/digital system either as a transitional vehicle or as a final system design? If so, please provide details.

Yes we plan on using digital compression but we will need to have access to the technology about the time traditional cable companies get access.

7. Does your system compete directly with one or more cable systems? If so, please list the name of the cable system(s), identify its franchise area, its penetration percentage based on homes passed, and provide its current channel capacity?

We have over 100 competitive
cable franchises. cable penetration
is about 60% in ADI.

8. Please identify the percentage of your wireless cable system service area that overlap with the area served by the cable operator(s) in your area and the number of homes within the overlap zone?

90%+ overlap
2.2 million homes

9. In your opinion, how long will it take for this system to serve as a competitive alternative to cable? What is the basis of your projection?

It varies by region of the city.
We are a viable alternative now in
areas we can service

10. How many homes are within the coverage pattern of your system and what percentage of those homes do you anticipate you will be unable to serve due to terrain blockage, buildings or foliage without using repeaters?

2.6 million homes in ADI
but we are only part-way
through technical analysis
of signal from
new transmitter.